

Met-Ed GPU

APR 29 1980 - 1 45 PM  
INTERSTATE COMMERCE COMMISSION

Metropolitan Edison Company  
Post Office Box 542  
Reading, Pennsylvania 19640  
215-929-3601

APR 29 1 40 PM '80

Writer's Direct Dial Number  
215-921-6175

I. C. C.  
FEE OPERATION BR April 28, 1980

Interstate Commerce Commission  
12th & Constitution Avenue, N.W.  
Washington, D.C. 20423

No. 0-120A124

Date APR 29 1980

Fee \$ 300.00

ICC Washington, D. C.

Attention: Secretary

Dear Sir:

Enclosed for filing with the Commission pursuant to 49 C.F.R. Part 1116 are an original executed counterpart and two certified copies of a Mortgage Document as follows:

Mortgage Document: Indenture of Mortgage dated November 1, 1944 and the 26 Supplemental Indentures thereto listed on Schedule A attached hereto

Mortgagor: Metropolitan Edison Company


Mortgagee: Guaranty Trust Company of New York (now Morgan Guaranty Trust Company of New York)

Included in the property covered by the Mortgage Document is a Schnabel type railroad car with an attached mobile transformer. The AAR number for the railroad car is GPUX100. This car is used or intended for use in connection with interstate commerce. Mortgagor owns a 20% undivided interest in such railroad car and transformer as a tenant in common with its affiliates, Jersey Central Power & Light Company (which owns a 37% interest) and Pennsylvania Electric Company (which owns a 43% interest).

The railroad car is not specifically described in the Mortgage Document. However, included in the property covered by the Mortgage Document is all property or interests therein owned by Metropolitan Edison Company at the date of said Indenture of Mortgage or thereafter acquired by it.

Also enclosed is a check in the amount of \$300.00 to cover the recording fee. Please acknowledge this filing by stamping the recordation information on each of the instruments comprising the original executed counterpart of the Mortgage Document, for return to the undersigned.

Very truly yours,

  
J. S. Bartman  
Vice President

kz

Enclosures

Metropolitan Edison Company is a Member of the General Public Utilities System

*Countersigned for 26 copies Met-Ed sent back 4/1/80*

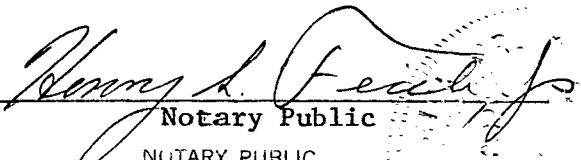
11737-2  
RECORDATION NO. .... Filed 1425

APR 29 1980 - 1 45 PM

INTERSTATE COMMERCE COMMISSION

I, the undersigned Notary Public in and for the Commonwealth of Pennsylvania, County of Berks, do certify as follows: (1) I have examined the attached conformed copy of Supplemental Indenture dated (or dated as of) January 1, 1978 to Indenture of Mortgage dated November 1, 1944 between Metropolitan Edison Company and Guaranty Trust Company of New York (now Morgan Guaranty Trust Company of New York), Trustee, and have compared it with the original document; and (2) the attached conformed copy is a true and correct copy of the original document in all respects.

Witness my hand and seal this 28th day of April, 1980.

  
Notary Public  
NOTARY PUBLIC  
Muhlenberg Township, Berks Co., Pa.  
My Commission Expires Sept. 14, 1983

(SEAL)

[Conformed Copy With Recording Data]

11737-*W*

RECORDATION NO. .... Filed 1425

APR 29 1980 - 1 45 PM

... COMMERCE COMMISSION

**METROPOLITAN EDISON COMPANY**

**TO**

**MORGAN GUARANTY TRUST COMPANY  
OF NEW YORK,**

*as Trustee.*

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**Supplemental Indenture**

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***Dated as of January 1, 1978***

MORGAN GUARANTY TRUST COMPANY OF NEW YORK  
hereby certifies that its Residence and Post Office Address  
is 23 Wall Street, Borough of Manhattan, City of New  
York, New York 10015.

MORGAN GUARANTY TRUST COMPANY  
OF NEW YORK

By /s/ E. MCMICHAEL  
*Vice President*

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THIS SUPPLEMENTAL INDENTURE, made as of the 1st day of January, 1978, between METROPOLITAN EDISON COMPANY, a corporation of the Commonwealth of Pennsylvania, hereinafter sometimes referred to as the "Company", party of the first part, and MORGAN GUARANTY TRUST COMPANY OF NEW YORK, a corporation of the State of New York, as Trustee under the Mortgage hereinafter referred to, hereinafter sometimes referred to as the "Trustee", party of the second part;

WHEREAS, the Company has heretofore executed and delivered to Guaranty Trust Company of New York, as Trustee, its Indenture dated November 1, 1944 (hereinafter sometimes referred to as the "Original Indenture"), which was duly supplemented by supplemental indentures dated as of February 1, 1947, May 20, 1947, September 1, 1947, September 1, 1948, October 4, 1949, February 1, 1950, July 19, 1950, December 1, 1950, March 1, 1952, May 1, 1953, July 1, 1954, October 1, 1954, June 1, 1957, May 1, 1960, December 1, 1962, March 20, 1964, July 1, 1965, June 1, 1966, March 22, 1968, September 1, 1968, August 1, 1969, November 1, 1971, May 1, 1972, December 1, 1973, October 30, 1974, October 31, 1974, March 20, 1975, September 25, 1975, January 12, 1976, March 1, 1976 and September 28, 1977, respectively, and which is hereby supplemented by this Supplemental Indenture, all of which are herein collectively referred to as the "Mortgage"; and

WHEREAS, in connection with the merger on April 24, 1959, of J. P. Morgan & Co. Incorporated into Guaranty Trust Company of New York, the corporate name of Guaranty Trust Company of New York was changed to Morgan Guaranty Trust Company of New York; and

WHEREAS, the Mortgage provides for the issuance of bonds thereunder in one or more series, the form of each series of bonds and of the coupons to be attached to the coupon bonds, if any, of each series to be substantially in the forms set forth therein with such omissions, variations and insertions as are authorized or permitted by the Mortgage and determined and specified by the Board of Directors of the Company; and

WHEREAS, the Company has entered into a Pollution Control Facilities Agreement dated as of January 1, 1978 with the Dauphin County

Industrial Development Authority (hereinafter sometimes referred to as "Authority"), a public instrumentality of the Commonwealth of Pennsylvania and a public body corporate and politic organized under the Pennsylvania Industrial and Commercial Development Authority Law, pursuant to which the proceeds of the issuance by the Authority of its "Pollution Control Revenue Bonds, 1978 Series A (Metropolitan Edison Company Three Mile Island Project)" (hereinafter sometimes referred to as "Pollution Control Bonds") issued under the Authority's related Trust Indenture dated as of January 1, 1978 to Manufacturers Hanover Trust Company, as Trustee (hereinafter sometimes referred to as the "Trust Indenture") are to be used to finance the Company's undivided interest in certain pollution control facilities at the Three Mile Island Generating Station in Dauphin County, Pennsylvania; and

WHEREAS, to satisfy obligations to pay the purchase price for the Company's portion of said pollution control facilities, the Company desires by this Supplemental Indenture to create, and to define, in so far as the same is permitted by the Original Indenture, the form of and certain other matters with respect to the twenty-fifth series of bonds to be issued under the Mortgage, to be designated "First Mortgage Bonds, 6% Series due 2008" (hereinafter sometimes referred to as the "bonds of the New Series"), and to provide for the issuance thereof only as fully registered bonds; and

WHEREAS, all conditions and requirements necessary to make this Supplemental Indenture a valid, binding and legal instrument, in accordance with its terms, and for the purposes herein expressed, have been done, performed and fulfilled, and the execution and delivery hereof, in the form and terms hereof, have been in all respects duly authorized:

NOW, THEREFORE, THIS SUPPLEMENTAL INDENTURE WITNESSETH: That in consideration of the premises, and of the sum of One Dollar (\$1.00) to the Company duly paid by the Trustee at or before the en-sealing and delivery of these presents, and for other valuable considerations, the receipt whereof is hereby acknowledged, the Company hereby covenants and agrees to and with the Trustee and its successors in the trusts under the Mortgage, as follows:

**ARTICLE I.****CREATION OF FIRST MORTGAGE BONDS, 6% SERIES DUE 2008, AND  
SPECIFICATION OF CERTAIN MATTERS WITH RESPECT THERETO.**

SECTION 1. The Company hereby creates the twenty-fifth series of bonds, not limited in principal amount, to be issued under and secured by the Mortgage, to be designated, and to be distinguished from bonds of all other series by the title "First Mortgage Bonds, 6% Series due 2008". Each bond of the New Series shall be dated the date of its authentication, and shall bear interest from the first day of January or July, as the case may be, to which interest has been paid preceding the date thereof, unless such date is a January 1 or July 1 to which interest has been paid, in which case it shall bear interest from such date, or unless such date is prior to July 1, 1978, in which case it shall bear interest from January 1, 1978.

The bonds of the New Series shall be issuable only as fully registered bonds in the denominations of \$1,000 and any integral multiple thereof. At the office or agency to be maintained by the Company in said Borough of Manhattan and in the manner and subject to the limitations provided in the Mortgage, bonds of such series may be exchanged for a like aggregate principal amount of bonds of such series of other authorized denominations without charge except for any tax or taxes or other governmental charges incident to such exchange.

Subject to the provisions of Section 10.17 of the Authority's Trust Indenture, the bonds of the New Series shall be transferable as prescribed in the Mortgage.

Unless previously redeemed pursuant to the provisions hereof and of the Mortgage, each bond of the New Series shall be payable on January 1, 2008, in such coin or currency of the United States of America as at the time of payment shall be legal tender for the payment of public and private debts, and shall bear interest, payable in like coin or currency, at the rate per annum and from the respective dates specified in the form of the bonds of the New Series, payable semi-annually on January 1 and July 1 of each year until maturity, and at the highest rate of interest borne by any of the bonds outstanding under the Mortgage from such date of maturity until they shall be paid or payment thereof shall have been duly provided for. Principal of and in-

terest on the bonds of the New Series shall be payable at the office or agency of the Company in the Borough of Manhattan, The City of New York.

Bonds of the New Series shall be redeemable at the option of the Company in whole at any time, or in part from time to time, prior to maturity, after December 31, 1987, upon notice, as provided in Section 8.02 of the Mortgage, mailed at least forty-five (45) and not more than ninety (90) days prior to the date fixed for redemption unless the registered holder shall agree to accept a shorter notice, to each registered holder of such bonds at his registered address, at the redemption prices (expressed as percentages of principal amount) set forth under "Regular Redemption Prices" in the following table, together, in each case, with accrued interest to the date of redemption:

<u>If Redeemed During 12 Months' Period Beginning January 1</u>	<u>Regular Redemption Prices</u>	<u>If Redeemed During 12 Months' Period Beginning January 1</u>	<u>Regular Redemption Prices</u>
1988	103 %	1992	101 %
1989	102½ %	1993	100½ %
1990	102 %	1994 and	
1991	101½ %	thereafter	100 %

Bonds of the New Series shall also be redeemable in whole at any time, prior to maturity, upon like notice, at 100% of the principal amount of the bonds of the New Series to be redeemed, together with accrued interest to the date of redemption, as more fully provided in Section 8.08 of the Mortgage, in the event (a) that all the outstanding common stock of the Company shall be acquired by some governmental body or instrumentality and the Company elects to redeem all the bonds of all series, the redemption date in any such event to be not more than one hundred twenty (120) days after the date on which all said stock is so acquired, or (b) that all or substantially all of the mortgaged property constituting bondable property which at the time shall be subject to the lien of the Mortgage as a first lien shall be released from the lien of the Mortgage pursuant to the provisions thereof, and available moneys in the hands of the Trustee, including any moneys deposited by the Company for the purpose, are sufficient to redeem all the bonds of all series at the redemption prices, together with accrued interest to the date of redemption, specified therein applicable to the redemption thereof upon the happening of such event.

Bonds of the New Series shall also be redeemable at the option of the Company in whole at any time, prior to maturity, upon like notice, at 100% of the principal amount of the bonds of the New Series to be redeemed, together with accrued interest to the date of redemption, if by reason of damage, destruction or condemnation, or if by reason of action of governmental or public authority or the imposition of unreasonable burdens or excessive liabilities materially adversely affecting the Three Mile Island Generating Station, the Company shall cease to own an interest in such Station or the commercial operation of such Station is permanently abandoned. Any such redemption shall be on any date within six months from the time the Company shall so cease to own an interest in such Station, or commercial operation of such Station is permanently abandoned.

The Company covenants that at least one day before January 1 of each year (the "Sinking Fund Redemption Date") beginning with the year 2003, it will pay to the Trustee in trust, as and for a mandatory sinking fund (the "Mandatory Sinking Fund") for the redemption of the bonds of the New Series on the next succeeding Sinking Fund Redemption Date, an amount in cash as shown in the following table (the "Mandatory Sinking Fund Payment") sufficient in each instance to redeem a like principal amount of the bonds of the New Series (the "Redeemable Bonds") at a redemption price of 100% of the principal amount thereof, together with accrued interest to such Sinking Fund Redemption Date:

<u>Year</u>	<u>Amount</u>	<u>Year</u>	<u>Amount</u>
2003	\$435,000	2006	\$435,000
2004	435,000	2007	435,000
2005	435,000		

provided, however, that the Redeemable Bonds may, at the option of the Company, and as specified by it in an Officers' Certificate delivered to the Trustee at least 60 days prior to any Sinking Fund Redemption Date (or such later date as shall be satisfactory to the Trustee) (the "Request Date"), be reduced and satisfied by the aggregate principal amount of any Pollution Control Bonds which are used as a credit under Section 5.03 of the Trust Indenture.

The Officers' Certificate referred to above shall (i) specify (x) the amount of the Mandatory Sinking Fund Payment, (y) the principal

amount of such Pollution Control Bonds made the basis for a reduction of the Redeemable Bonds pursuant to the preceding paragraph and (z) the principal amount of bonds of the New Series to be redeemed through operation of the Mandatory Sinking Fund on such Sinking Fund Redemption Date and the accrued interest thereon, and (ii) state that the aforesaid Pollution Control Bonds or portions thereof made the basis for such reduction have not theretofore been made the basis for a reduction of the Redeemable Bonds.

Cash deposited with the Trustee pursuant to Section 5.07 and 5.08 of the Original Indenture may be utilized to meet a Mandatory Sinking Fund Payment.

In no event shall the Company be required to make any Mandatory Sinking Fund Payment in excess of the principal amount of bonds of the New Series then outstanding plus accrued interest thereon to the next following Sinking Fund Redemption Date.

Notice with respect to any sinking fund redemption shall be given as hereinabove provided.

Bonds of the New Series shall be redeemed in whole whenever the Trustee shall receive a written demand (hereinafter called "Redemption Demand") from the trustee under the Trust Indenture for redemption, stating that the principal of all bonds then outstanding under the Trust Indenture has been declared to be immediately due and payable pursuant to the provisions of Section 9.02 thereof. The Trustee shall within 10 days of receiving the Redemption Demand deliver a copy to the Company stamped or otherwise marked to show the date of receipt by the Trustee. The Company shall fix a redemption date and shall mail to the Trustee notice of such date at least 30 days prior to the date so selected. Such redemption date may be any day not more than 180 days after the receipt of the Redemption Demand by the Trustee. If the Trustee does not receive notice of such date by the Company within 150 days after the Redemption Demand was received by the Trustee, then the redemption date shall be the 180th day after such receipt. The Trustee shall mail notice of the redemption date (hereinafter called the "Redemption Notice") to the trustee under the Trust Indenture not more than 10 nor less than 5 days prior to the date fixed for redemption. The Trustee shall not mail any Redemption Notice (and no such redemption shall be made) if the Trustee receives a written cancellation

of the Redemption Demand from the trustee under the Trust Indenture prior to the mailing of the Redemption Notice. Notwithstanding the provisions of Section 8.02 of the Original Indenture, each holder of bonds of the New Series by the acceptance of such bonds waives the right to receive 30 days notice of any such redemption. Any such redemption of the bonds of the New Series shall be at the redemption price of 100% of the principal amount of the bonds of the New Series to be redeemed, together with accrued interest to the date fixed for redemption. Any notice of any such redemption shall not be conditioned upon receipt of the redemption monies by the Trustee before the date fixed for redemption. Any such demand from the trustee under the Trust Indenture or a cancellation of such demand shall be executed on behalf of such trustee by its President or a Vice President or a trust officer and shall be deemed received by the Trustee when delivered at its corporate trust office in the Borough of Manhattan, The City of New York. The Trustee may conclusively rely as to the truth of the statements contained therein, upon any such demand or cancellation.

SECTION 2. Bonds of the New Series for the aggregate principal amount of Eight million seven hundred thousand dollars (\$8,700,000), being the initial issue of bonds of the New Series, may forthwith be executed by the Company and delivered to the Trustee and shall be authenticated by the Trustee and delivered (either before or after the filing or recording hereof) to or upon the order of the designated officer or officers of the Company, upon compliance by the Company with the appropriate provisions and requirements of Article IV of the Mortgage.

SECTION 3. So long as any of the bonds of the New Series shall be secured by the lien of the Mortgage, the term "minimum provision for depreciation" when used for any purposes under the Mortgage and with reference to any period of time shall mean an amount computed pursuant to the provisions of Article I, Section 5 of the Supplemental Indenture dated March 1, 1952.

SECTION 4. So long as any of the bonds of the New Series shall be secured by the lien of the Mortgage, clause (A) (II) of Section 1.06 of the Original Indenture shall be deemed amended as set forth in the quotation contained in Article I, Section 4 of the Supplemental Indenture dated May 1, 1960.

SECTION 5. So long as any of the bonds of the New Series shall be secured by the lien of the Mortgage, the first sentence of Section 5.20 of the Original Indenture shall be deemed amended as set forth in the quotation contained in Article I, Section 6 of the Supplemental Indenture dated December 1, 1950.

SECTION 6. So long as any of the bonds of the New Series shall be secured by the lien of the Mortgage, the Company will keep and perform the covenants set forth in Article I, Section 4 of the Supplemental Indenture dated March 1, 1952, irrespective of whether any of the bonds of the series created by such Supplemental Indenture shall be then outstanding.

SECTION 7. So long as any of the bonds of the New Series shall be secured by the lien of the Mortgage, the Company will keep and perform the covenants and agreements set forth in Article I, Section 7 of the Supplemental Indenture dated June 1, 1957, irrespective of whether any of the bonds of the series created by such Supplemental Indenture shall be then outstanding.

SECTION 8. In case less than all of the bonds of the New Series at the time outstanding are called for redemption, the Company shall not be required (i) to exchange or register transfers of any bonds of the New Series for a period of 10 days before the mailing of a notice of redemption of bonds of the New Series, (ii) to exchange or register transfer of any bond of the New Series called for redemption in its entirety or (iii) to exchange or register transfer of any portion of a bond of the New Series which portion has been called for redemption.

SECTION 9. The Company covenants and agrees that, notwithstanding Section 2.03 of the Original Indenture, it will not charge any sum for or in connection with any exchange or registration of transfer of any bond of the New Series, but may require the payment of a sum sufficient to cover any tax or taxes or other governmental charges incident to any exchange or registration of transfer thereof.

**ARTICLE II.****FORM OF THE BONDS OF THE NEW SERIES.**

The form of the bonds of the New Series and the Trustee's authentication certificate to be endorsed thereupon shall be substantially as follows, the denominations and numbers thereof to be appropriately inserted:

**[FORM OF FACE OF BONDS OF THE NEW SERIES]**

This bond is transferable only as provided in Section 10.17 of Dauphin County Industrial Development Authority's Trust Indenture dated as of January 1, 1978 to Manufacturers Hanover Trust Company, as Trustee.

**METROPOLITAN EDISON COMPANY**

(Incorporated under the laws of the Commonwealth of Pennsylvania)

**FIRST MORTGAGE BOND, 6% SERIES DUE 2008**

**DUE JANUARY 1, 2008**

**\$**

**No.**

METROPOLITAN EDISON COMPANY, a corporation of the Commonwealth of Pennsylvania (hereinafter called the "Company"), for value received, hereby promises to pay to \_\_\_\_\_ or registered assigns,

Dollars on January 1, 2008, at the office or agency of the Company in the Borough of Manhattan, The City of New York, in such coin or currency of the United States of America as at the time of payment is legal tender for the payment of public and private debts, and to pay interest thereon, semi-annually on January 1 and July 1 of each year, at the rate of six per centum (6%) per annum, at said office or agency in like coin or currency, from January 1, 1978, or from the most recent interest payment date to which interest has been paid or duly provided for with respect to bonds of the aforesaid series (subject to certain exceptions provided in the Mortgage hereinafter mentioned), until this bond shall mature, according to its terms or on prior redemption or by declaration or otherwise, and at the highest rate of interest borne by any of the bonds outstanding under the Mortgage hereinafter mentioned

from such date of maturity until this bond shall be paid or the payment hereof shall have been duly provided for, and (to the extent that payment of such interest is enforceable under applicable law) to pay interest on any overdue installment of interest at the highest rate of interest borne by any of the bonds outstanding under said Mortgage.

Reference is hereby made to the further provisions of this bond set forth on the reverse hereof. Such further provisions shall for all purposes have the same effect as though fully set forth at this place.

This bond shall not become valid or obligatory for any purpose until Morgan Guaranty Trust Company of New York, or its successor, as Trustee under the Mortgage, shall have signed the certificate of authentication endorsed hereon.

IN WITNESS WHEREOF, METROPOLITAN EDISON COMPANY has caused this bond to be signed in its name by its President or one of its Vice Presidents and its corporate seal, or a facsimile thereof, to be affixed hereto and attested by its Secretary or one of its Assistant Secretaries.

Dated:

METROPOLITAN EDISON COMPANY

By.....  
*Vice President*

ATTEST:

.....  
*Secretary*

[FORM OF TRUSTEE'S AUTHENTICATION CERTIFICATE  
ON BONDS OF THE NEW SERIES]

TRUSTEE'S AUTHENTICATION CERTIFICATE

This bond is one of the bonds, of the series herein designated, provided for in the within-mentioned Mortgage.

MORGAN GUARANTY TRUST COMPANY  
OF NEW YORK, TRUSTEE

By .....  
*Authorized Officer.*

[FORM OF REVERSE OF BONDS OF THE NEW SERIES]

**METROPOLITAN EDISON COMPANY**

(Incorporated under the laws of the Commonwealth of Pennsylvania)

FIRST MORTGAGE BOND, 6% SERIES DUE 2008  
DUE JANUARY 1, 2008

This bond is one of an issue of bonds of the Company (herein referred to as the "bonds"), not limited in principal amount except as in the Mortgage hereinafter mentioned provided, issuable in series, which different series may mature at different times, may bear interest at different rates, and may otherwise vary as in the Mortgage hereinafter mentioned provided, and is one of a series known as its First Mortgage Bonds, 6% Series due 2008 (herein referred to as "bonds of the New Series"), all bonds of all series issued and to be issued under and equally and ratably secured (except in so far as any sinking or analogous fund, established in accordance with the provisions of the Mortgage hereinafter mentioned, may afford additional security for the bonds of any particular series) by a Mortgage and Deed of Trust, dated November 1, 1944 (herein, together with any indentures supplemental thereto, including, but not by way of limitation, the indentures supplemental thereto dated as of February 1, 1947, May 20, 1947, September 1, 1947, September 1, 1948, October 4, 1949, February 1, 1950, July 19, 1950, December 1, 1950, March 1, 1952, May 1, 1953, July 1, 1954, October 1, 1954, June 1, 1957, May 1, 1960, December 1, 1962, March 20,

1964, July 1, 1965, June 1, 1966, March 22, 1968, September 1, 1968, August 1, 1969, November 1, 1971, May 1, 1972, December 1, 1973, October 30, 1974, October 31, 1974, March 20, 1975, September 25, 1975, January 12, 1976, March 1, 1976, September 28, 1977 and January 1, 1978, called the "Mortgage"), executed by the Company to Guaranty Trust Company of New York (now Morgan Guaranty Trust Company of New York), as Trustee, to which reference is made for a description of the property mortgaged, the nature and extent of the security, the rights of the holders of the bonds and of the Company in respect thereof, the rights, duties and immunities of the Trustee, and the terms and conditions upon which the bonds are, and are to be, issued and secured. The Mortgage contains provisions permitting the holders of not less than seventy-five per centum (75%) in principal amount of all the bonds at the time outstanding, determined and evidenced as provided in the Mortgage, or in case the rights under the Mortgage of the holders of bonds of one or more, but less than all, of the series of bonds outstanding shall be affected, the holders of not less than seventy-five per centum (75%) in principal amount of the outstanding bonds of such one or more series affected, except that if any such action would affect the bonds of two or more series, the holders of not less than seventy-five per centum (75%) in principal amount of outstanding bonds of such two or more series, which need not include seventy-five per centum (75%) in principal amount of outstanding bonds of each of such series, determined and evidenced as provided in the Mortgage, on behalf of the holders of all the bonds, to waive any past default under the Mortgage and its consequences except a completed default, as defined in the Mortgage, in respect of the payment of the principal of or interest on any bond or default arising from the creation of any lien ranking prior to or equal with the lien of the Mortgage on any of the mortgaged property, subject to the condition that, in case the rights of the holders of less than all of the series of bonds outstanding shall be affected, no waiver of any past default or its consequences shall be effective unless approved by the holders of not less than a majority of all the bonds at the time outstanding. The Mortgage also contains provisions permitting the Company and the Trustee, with the consent of the holders of not less than seventy-five per centum (75%) in principal amount of all the bonds at the time outstanding, determined and evidenced as provided in the Mortgage, or in case the rights under the

Mortgage of the holders of bonds of one or more, but less than all, of the series of bonds outstanding shall be affected, then with the consent of the holders of not less than seventy-five per centum (75%) in principal amount of the outstanding bonds of such one or more series affected, except that if any such action would affect the bonds of two or more series, the holders of not less than seventy-five per centum (75%) in principal amount of outstanding bonds of such two or more series, which need not include seventy-five per centum (75%) in principal amount of outstanding bonds of each of such series, determined and evidenced as provided in the Mortgage, to execute supplemental indentures adding any provisions to or changing in any manner or eliminating any of the provisions of the Mortgage or modifying in any manner the rights of the holders of the bonds and coupons; provided, however, that no such supplemental indenture shall (i) extend the fixed maturity of any bonds, or reduce the rate or extend the time of payment of interest thereon, or reduce the principal amount thereof, without the consent of the holder of each bond so affected, or (ii) reduce the aforesaid percentage of bonds, the holders of which are required to consent to any such supplemental indenture, without the consent of the holders of all bonds then outstanding, or (iii) permit the creation of any lien ranking prior to or equal with the lien of the Mortgage on any of the mortgaged property, or (iv) deprive the holder of any outstanding bond of the lien of the Mortgage on any of the mortgaged property. Any such waiver or consent by the holder of this bond (unless effectively revoked as provided in the Mortgage) shall be conclusive and binding upon such holder and upon all future holders of this bond, irrespective of whether or not any notation of such waiver or consent is made upon this bond.

No reference herein to the Mortgage and no provision of this bond or of the Mortgage shall alter or impair the obligation of the Company, which is absolute and unconditional, to pay the principal of and interest on this bond at the time and place and at the rate and in the coin or currency herein prescribed.

The bonds of the New Series are issuable only as fully registered bonds in denominations of \$1,000 and any integral multiple of \$1,000. At the office or agency to be maintained by the Company in the Borough of Manhattan, the City of New York, and in the manner and subject to

the limitations provided in the Mortgage, bonds of such series may be exchanged for a like aggregate principal amount of bonds of such series of other authorized denominations without charge except for any tax or taxes or other governmental charges incident to such exchange.

Bonds of the New Series shall be redeemable at the option of the Company in whole at any time, or in part from time to time, prior to maturity, after December 31, 1987, upon notice, as provided in Section 8.02 of the Mortgage, mailed at least forty-five (45) and not more than ninety (90) days prior to the date fixed for redemption unless the registered holder shall agree to accept a shorter notice, to each registered holder of such bonds at his registered address, at the redemption prices (expressed as percentages of principal amount) set forth under "Regular Redemption Prices" in the following table, together, in each case, with accrued interest to the date of redemption:

<u>If Redeemed During 12 Months' Period Beginning January 1</u>	<u>Regular Redemption Prices</u>	<u>If Redeemed During 12 Months' Period Beginning January 1</u>	<u>Regular Redemption Prices</u>
1988	103 %	1992	101 %
1989	102½ %	1993	100½ %
1990	102 %	1994 and	
1991	101½ %	thereafter	100 %

Bonds of the New Series shall also be redeemable in whole at any time, prior to maturity, upon like notice, at 100% of the principal amount of the bonds of the New Series to be redeemed, together with accrued interest to the date of redemption, as more fully provided in Section 8.08 of the Mortgage, in the event (a) that all the outstanding common stock of the Company shall be acquired by some governmental body or instrumentality and the Company elects to redeem all the bonds of all series, the redemption date in any such event to be not more than one hundred twenty (120) days after the date on which all said stock is so acquired, or (b) that all or substantially all of the mortgaged property constituting bondable property (as defined in the Mortgage) which at the time shall be subject to the lien of the Mortgage as a first lien shall be released from the lien of the Mortgage pursuant to the provisions thereof, and available moneys in the hands of

the Trustee, including any moneys deposited by the Company for the purpose, are sufficient to redeem all the bonds of all series at the redemption prices, together with accrued interest to the date of redemption, specified therein applicable to the redemption thereof upon the happening of such event.

Bonds of the New Series shall also be redeemable at the option of the Company in whole at any time, prior to maturity, upon like notice, at 100% of the principal amount of the bonds of the New Series to be redeemed, together with accrued interest to the date of redemption, if by reason of damage, destruction or condemnation, or if by reason of action of governmental or public authority or the imposition of unreasonable burdens or excessive liabilities materially adversely affecting the Three Mile Island Generating Station, the Company shall cease to own an interest in such Station or the commercial operation of such Station is permanently abandoned. Any such redemption shall be on any date within six months from the time the Company shall so cease to own an interest in such Station, or commercial operation of such Station is permanently abandoned.

On January 1, 2003 and on each January 1 thereafter continuing to and including January 1, 2007, \$435,000 aggregate principal amount of the bonds of the New Series will be redeemed upon like notice, at a redemption price of 100% of the principal amount thereof, together with accrued interest to the date of redemption. The aggregate principal amount of bonds of the New Series so required to be redeemed on each January 1 may be reduced as provided in Section 1 of Article I of said Supplemental Indenture dated as of January 1, 1978.

Bonds of the New Series shall be redeemed in whole whenever the Trustee shall receive a written demand from the trustee under the Trust Indenture dated as of January 1, 1978 of Dauphin County Industrial Development Authority to Manufacturers Hanover Trust Company, for redemption, stating that the principal of all bonds then outstanding under said Trust Indenture has been declared to be immediately due and payable pursuant to the provisions of Section 9.02 thereof. Any such redemption of the bonds of the New Series shall be at the redemption price of 100% of the principal amount of the bonds of the New Series to

be redeemed, together with accrued interest to the date of redemption, and upon the notice and as more fully provided in Section 1 of Article I of said Supplemental Indenture dated as of January 1, 1978.

The Mortgage provides that any notice of such redemption may, except as otherwise provided in the Mortgage, state that it is subject to the receipt of the redemption moneys by the Trustee before the date fixed for redemption and such notice shall be of no effect unless such moneys are so received before such date.

The Mortgage provides that if the Company shall deposit with Morgan Guaranty Trust Company of New York, or its successor as Trustee in trust for the purpose, funds sufficient to pay the principal of all of the bonds of any series, or such of the bonds of any series as have been or are to be called for redemption (including any portions, constituting \$1,000 or a multiple thereof, of fully registered bonds) and premium, if any, thereon, and all interest payable on such bonds (or portions) to the date on which they become due and payable at maturity or upon redemption or otherwise, and complies with the other provisions of the Mortgage in respect thereof, then from the date of such deposit such bonds (or portions) shall no longer be secured by the lien of the Mortgage.

The Mortgage provides that, upon any partial redemption of a fully registered bond, upon surrender thereof endorsed for transfer, new bonds of the same series and of authorized denominations in principal amount equal to the unredeemed portion of such fully registered bond will be delivered in exchange therefor.

The principal hereof may be declared or may become due prior to the express date of the maturity hereof on the conditions, in the manner and at the time set forth in the Mortgage, upon the occurrence of a completed default as in the Mortgage provided.

Subject to the provisions of Section 10.17 of the said Dauphin County Industrial Development Authority's Trust Indenture dated as of January 1, 1978 to Manufacturers Hanover Trust Company, as Trustee, this bond is transferable as prescribed in the Mortgage.

No recourse shall be had for the payment of the principal of or interest on this bond, or for any claim based hereon, or otherwise in respect hereof, or based on or in respect of the Mortgage or under or upon any obligation, covenant or agreement contained in the Mortgage, against any incorporator, or any past, present or future subscriber to the capital stock, stockholder, officer or director, as such, of the Company or of any predecessor or successor corporation, either directly or through the Company or any predecessor or successor corporation, under any present or future rule of law, statute or constitution or by the enforcement of any assessment or otherwise, all such liability of incorporators, subscribers, stockholders, officers and directors, as such, being waived and released by the holder and owner hereof by the acceptance of this bond and being likewise waived and released by the terms of the Mortgage.

### ARTICLE III.

#### MISCELLANEOUS.

SECTION 1. This Supplemental Indenture shall be simultaneously executed in several counterparts, and all such counterparts executed and delivered, each as an original, shall constitute but one and the same instrument.

SECTION 2. The recitals of fact contained herein and in the bonds of the New Series (other than the Trustee's certificate of authentication) shall be taken as the statements of the Company and the Trustee assumes no responsibility for the correctness of the same.

IN WITNESS WHEREOF, METROPOLITAN EDISON COMPANY, party of the first part, has caused this instrument to be signed in its name and behalf by its President and its corporate seal to be hereunto affixed and attested by its Secretary, and MORGAN GUARANTY TRUST COMPANY of NEW YORK, party of the second part, in token of its acceptance of the trust hereby created, has caused this instrument to be signed in its

name and behalf by a Vice President and its corporate seal to be hereunto affixed and attested by an Assistant Secretary, all as of the day and year first above written.

[CORPORATE SEAL]

METROPOLITAN EDISON COMPANY,

By /s/ W. M. CREITZ  
W. M. CREITZ, *President*

ATTEST: /s/ R. B. HEIST  
R. B. HEIST, *Secretary*

Signed, sealed and delivered by said  
Metropolitan Edison Company in  
the presence of:

/s/ H. G. CHIN  
/s/ M. HENRY

MORGAN GUARANTY TRUST COMPANY  
OF NEW YORK,

[CORPORATE SEAL]

By /s/ E. McMICHAEL  
E. McMICHAEL, *Vice President*

ATTEST: /s/ THOMAS R. BOWEN  
THOMAS R. BOWEN, *Assistant Secretary*

Signed, sealed and delivered by said  
Morgan Guaranty Trust Company  
of New York in the presence of:

/s/ H. G. CHIN  
/s/ M. HENRY


name and behalf by a Vice President and its corporate seal to be here-  
unto affixed and attested by an Assistant Secretary, all as of the day  
and year first above written.

METROPOLITAN EDISON COMPANY,


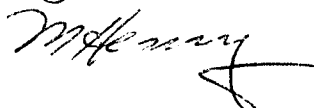
By

  
W. M. CREITZ, *President*

ATTEST:

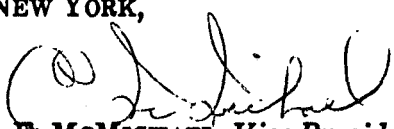
  
R. B. HEIST, *Secretary.*

Signed, sealed and delivered by said  
Metropolitan Edison Company in  
the presence of:


  


MORGAN GUARANTY TRUST COMPANY  
OF NEW YORK,


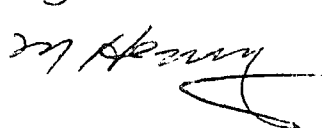
By

  
E. MCMICHAEL, *Vice President*

ATTEST:

  
THOMAS R. BOWEN, *Assistant Secretary.*

Signed, sealed and delivered by said  
Morgan Guaranty Trust Company  
of New York in the presence of:

STATE OF NEW YORK }  
 COUNTY OF NEW YORK } ss.:

On the 18th day of January, 1978, before me, the subscriber, a Notary Public of the State and County aforesaid, personally appeared R. B. HEIST, Secretary of METROPOLITAN EDISON COMPANY, who, being duly sworn, according to law, says that he was personally present at the execution of the foregoing Supplemental Indenture, and saw the common or corporate seal of the said corporation duly affixed thereto; that the seal so affixed thereto is the common or corporate seal of the said corporation; that the foregoing Supplemental Indenture was duly sealed and delivered by W. M. Creitz, President of said corporation, as and for the act and deed of said corporation, for the uses and purposes therein mentioned, by authority of the Board of Directors of said corporation; and that the names of this deponent as Secretary and of W. M. Creitz as President of the said corporation, subscribed to the foregoing Supplemental Indenture in attestation of its due execution and delivery, are of their and each of their respective handwritings.

  
 R. B. HEIST, Secretary.

Sworn to and subscribed before me the day and year aforesaid.



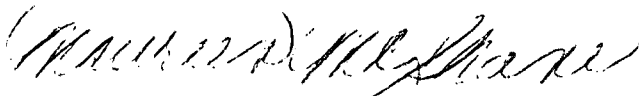
MAUREEN McSHANE  
 NOTARY PUBLIC, State of New York  
 No. 24-4649500  
 Qualified in Kings County  
 Certificate Filed in New York County  
 Commission Expires March 30, 1979

STATE OF NEW YORK }  
COUNTY OF NEW YORK } ss.:

On the 18th day of January, 1978, before me, the subscriber, a Notary Public of the State and County aforesaid, personally appeared THOMAS R. BOWEN, an Assistant Secretary of MORGAN GUARANTY TRUST COMPANY OF NEW YORK, who, being duly sworn, according to law, says that he was personally present at the execution of the foregoing Supplemental Indenture, and saw the common or corporate seal of the said corporation duly affixed thereto; that the seal so affixed thereto is the common or corporate seal of the said corporation; that the foregoing Supplemental Indenture was duly sealed and delivered by E. McMichael, a Vice President of said corporation, as and for the act and deed of said corporation, for the uses and purposes therein mentioned, by authority of the Board of Directors of said corporation; and that the names of this deponent as Assistant Secretary and of E. McMichael, as a Vice President of the said corporation, subscribed to the foregoing Supplemental Indenture in attestation of its due execution and delivery, are of their and each of their respective handwritings.

  
Assistant Secretary.

Sworn to and subscribed before me the day and year aforesaid. I am not a director or officer of said Morgan Guaranty Trust Company of New York.



MAUREEN MESHANE  
NOTARY PUBLIC, State of New York  
No. 24-4649500  
Qualified in Kings County  
Certificate Filed in New York County  
Commission Expires March 30, 1979

STATE OF NEW YORK }  
COUNTY OF NEW YORK } ss.:

On the 18th day of January, 1978, before me, the subscriber, a Notary Public of the State and County aforesaid, personally appeared R. B. HEIST, Secretary of METROPOLITAN EDISON COMPANY, who, being duly sworn, according to law, says that he was personally present at the execution of the foregoing Supplemental Indenture, and saw the common or corporate seal of the said corporation duly affixed thereto; that the seal so affixed thereto is the common or corporate seal of the said corporation; that the foregoing Supplemental Indenture was duly sealed and delivered by W. M. Creitz, President of said corporation, as and for the act and deed of said corporation, for the uses and purposes therein mentioned, by authority of the Board of Directors of said corporation; and that the names of this deponent as Secretary and of W. M. Creitz as President of the said corporation, subscribed to the foregoing Supplemental Indenture in attestation of its due execution and delivery, are of their and each of their respective handwritings.

/s/ R. B. HEIST  
R. B. HEIST, *Secretary*

Sworn to and subscribed before me the day and year aforesaid.

/s/ MAUREEN MCSHANE  
MAUREEN MCSHANE  
NOTARY PUBLIC, State of New York  
No. 24-4649500  
Qualified in Kings County  
Certificate filed in New York County  
Commission Expires March 30, 1979

[NOTARIAL SEAL]

STATE OF NEW YORK    }  
COUNTY OF NEW YORK } SS.:

On the 18th day of January, 1978, before me, the subscriber, a Notary Public of the State and County aforesaid, personally appeared THOMAS R. BOWEN, an Assistant Secretary of MORGAN GUARANTY TRUST COMPANY OF NEW YORK, who, being duly sworn, according to law, says that he was personally present at the execution of the foregoing Supplemental Indenture, and saw the common or corporate seal of the said corporation duly affixed thereto; that the seal so affixed thereto is the common or corporate seal of the said corporation; that the foregoing Supplemental Indenture was duly sealed and delivered by E. McMichael, a Vice President of said corporation, as and for the act and deed of said corporation, for the uses and purposes therein mentioned, by authority of the Board of Directors of said corporation; and that the names of this deponent as Assistant Secretary and of E. McMichael, as a Vice President of the said corporation, subscribed to the foregoing Supplemental Indenture in attestation of its due execution and delivery, are of their and each of their respective handwritings.

/s/ THOMAS R. BOWEN  
THOMAS R. BOWEN, *Assistant Secretary*

Sworn to and subscribed before me the day and year aforesaid. I am not a director or officer of said Morgan Guaranty Trust Company of New York.

/s/ MAUREEN MCSHANE  
MAUREEN MCSHANE  
NOTARY PUBLIC, State of New York  
No. 24-4649500  
Qualified in Kings County  
Certificate filed in New York County  
Commission Expires March 30, 1979

[NOTARIAL SEAL]

**Recording Data of  
Metropolitan Edison Company  
Supplemental Indenture Dated as of  
January 1, 1978**

<u>County</u>	<u>Date of Recording</u>	<u>Place of Recording</u>
Adams	1/19/78	Mortgage Book 78, page 619
Bedford	1/19/78	Mortgage Book 121, page 1018
Berks	1/23/78	Mortgage Book 1256, page 323
Blair	1/23/78	Mortgage Book 782, page 455
Bucks	1/23/78	Mortgage Book 2137, page 895
Cambria	1/23/78	Mortgage Book 514, page 1
Chester	1/19/78	Mortgage Book P54, page 497
Cumberland	1/19/78	Mortgage Book 636, page 11
Dauphin	1/23/78	Mortgage Book H55, page 729
Franklin	1/19/78	Mortgage Book 368, page 375
Huntingdon	1/19/78	Mortgage Book 171, page 253
Indiana	1/19/78	Mortgage Book 280, page 885
Lancaster	1/23/78	Mortgage Book 1175, page 485
Lebanon	1/23/78	Mortgage Book 356, page 666
Lehigh	1/23/78	Mortgage Book 1135, page 414
Monroe	1/23/78	Mortgage Book 388, page 9
Montgomery	1/19/78	Mortgage Book 5008, page 216
Northampton	1/23/78	Mortgage Book 1163, page 449
Perry	1/19/78	Mortgage Book 92, page 544
Pike	1/23/78	Mortgage Book 242, page 69
Westmoreland	1/23/78	Mortgage Book 1513, page 934
York	1/23/78	Mortgage Book 41-G, page 210